

**ND RISK MANAGEMENT FUND  
PERFORMANCE REPORT FOR DECEMBER 2001**

2/7/2002

	Assets as of December 31, 2001			* RATES OF TOTAL RETURN						
	EMV \$(000)	Actual Alloc	Policy Alloc	Quarter Ended				2002 FYTD	Year Ended 6/30/2001	
				Dec-01	Sep-01	Jun-01	Mar-01			
<b>LARGE CAP EQUITY</b>										
Value										
LSV	80	2.4%	2.3%	8.71%	-9.12%	8.10%	-0.57%	-1.20%	28.80%	
RUSSELL 1000 VALUE				7.37%	-10.95%	4.88%	-5.86%	-4.39%	10.33%	
Growth										
Alliance Capital	83	2.4%	2.3%	15.88%	-20.51%	10.03%	-20.15%	-7.89%	-30.23%	
RUSSELL 1000 GROWTH				15.14%	-19.41%	8.42%	-20.90%	-7.21%	-36.18%	
Core										
State Street	379	11.1%	10.5%	10.67%	-14.68%	5.81%	-11.93%	-5.58%	-15.00%	
S&P 500				10.69%	-14.68%	5.85%	-11.86%	-5.56%	-14.83%	
<b>TOTAL LARGE CAP DOM. EQUITY</b>	<b>542</b>	<b>15.9%</b>	<b>15.0%</b>	<b>11.16%</b>	<b>-14.82%</b>	<b>6.91%</b>	<b>-11.64%</b>	<b>-5.31%</b>	<b>-9.87%</b>	
S&P 500				10.69%	-14.68%	5.85%	-11.86%	-5.56%	-14.83%	
<b>SMALL CAP EQUITY</b>										
SEI Investments	189	5.6%	5.0%	20.09%	-20.00%	N/A	N/A	-3.93%	N/A	
RUSSELL 2000 + 200 bp				21.26%	-20.62%	N/A	N/A	-3.75%	N/A	
<b>TOTAL SMALL CAP DOM. EQUITY</b>	<b>189</b>	<b>5.6%</b>	<b>5.0%</b>	<b>20.09%</b>	<b>-19.93%</b>	<b>14.24%</b>	<b>N/A</b>	<b>-3.84%</b>	<b>-4.21%</b>	
RUSSELL 2000				21.09%	-20.79%	14.29%	N/A	-4.08%	0.57%	
<b>CONVERTIBLES</b>										
Trust Company of the West	359	10.5%	10.0%	12.40%	-15.83%	4.74%	N/A	-5.39%	-15.57%	
F.B. CONVERTIBLE SECURITIES INDEX				7.67%	-11.01%	4.12%	N/A	-4.18%	-11.87%	
<b>INTERNATIONAL EQUITY - Core</b>										
Capital Guardian	359	10.5%	10.0%	14.00%	-17.63%	0.94%	N/A	-6.10%	-24.42%	
MSCI 50% HEDGED EAFE INDEX (1)				8.60%	-16.41%	0.15%	N/A	-9.22%	-20.41%	
<b>FIXED INCOME</b>										
Core - Index										
Bank of North Dakota	704	20.7%	22.5%	0.02%	4.93%	0.31%	3.29%	4.95%	11.02%	
LB GOVT/CORP				0.06%	4.76%	0.30%	3.20%	4.82%	11.13%	
Core Bond										
Western Asset	910	26.7%	27.5%	-0.16%	4.76%	1.18%	3.42%	4.59%	12.62%	
LB AGGREGATE				0.05%	4.61%	0.56%	3.03%	4.66%	11.22%	
<b>TOTAL FIXED INCOME</b>	<b>1,614</b>	<b>47.3%</b>	<b>50.0%</b>	<b>-0.08%</b>	<b>4.83%</b>	<b>0.80%</b>	<b>3.36%</b>	<b>4.75%</b>	<b>11.92%</b>	
LB GOVT/CORP				0.06%	4.76%	0.30%	3.20%	4.82%	11.13%	
<b>CASH EQUIVALENTS</b>										
BND - Money Market Account	345	10.1%	10.0%	0.55%	0.90%	1.00%	1.40%	1.45%	5.85%	
90 DAY T-BILLS				0.64%	1.08%	1.12%	1.51%	1.73%	5.90%	
<b>TOTAL FUND</b>	<b>3,409</b>	<b>100.0%</b>	<b>100.0%</b>	<b>5.06%</b>	<b>-4.19%</b>	<b>2.76%</b>	<b>-2.42%</b>	<b>0.66%</b>	<b>0.33%</b>	
POLICY TARGET BENCHMARK				4.38%	-3.50%	2.28%	-2.02%	0.73%	0.44%	
TOTAL VALUE ADDED DUE TO										
Asset Mix				-0.27%	-0.04%	-0.11%	-0.09%	-0.31%	0.11%	
Active Management				0.93%	-0.68%	0.58%	-0.31%	0.24%	-0.22%	
<b>Total Value Added</b>				<b>0.65%</b>	<b>-0.72%</b>	<b>0.47%</b>	<b>-0.40%</b>	<b>-0.07%</b>	<b>-0.11%</b>	

(1) Prior to October 1, 2000, the benchmark for this asset class was the MSCI *Unhedged* EAFE Index.

\* NOTE: Monthly returns and market values are preliminary and subject to change.  
Returns are net of management fees.